

U.S. BANKRUPTCY COURT
Western District of Wisconsin
SECTION 341 MEETING PROCEEDING MEMO AND
STANDING CHAPTER 13 TRUSTEE'S REPORT

IN RE:

Name: Jennifer McKinney

Case # 22-10661

Debtor Information:

SS#: XXX-XX-8026

Addr: W5441 Innsbruck Rd
West Salem, WI 54669

County: LA CROSSE

Spouse Information:

SS#:

Addr:

County:

Debtor's Attorney: GREG P. PITTMAN

Date Filed: 04/27/2022

341 Meeting Date: 05/25/2022 Adjourned 341 Date: 7/27/2022

Schedules Filed:

Tape #: 2

Plan Filed: 05/24/2022

Amd Plan Filed: 05/24/2022

Appearances: Debtor: ADJ 5-25, AS JUST GOT SCHED, MT, PLAN, Debtor testimony on 6-15, dl,ss,vf, n, Y, n,
Attorney: tax confirmation provided and 341 mtg concluded on 7-27
Creditors: GP, Wade P, GP
None, none, none

1. INFORMATION WHICH WOULD MAKE DEBTOR'S STATEMENTS AND SCHEDULES MORE ACCURATE:

A. New Employment: _____

B. New Address: _____

C. Other: PETITION S/B AMENDED TO INCLUDE JENNIFER HOWE SAULS MCKINNEY - A NAME USED IN 2013.

2. ELIGIBILITY / DEBT ANALYSIS:

A. Eligible under Section 109(e)? N

B. Analysis of Scheduled Debt:

Attorney	7,500.00
Unsecured	140,935.00
Priority	555,946.69
Refund	0.00
Secured	1,340,582.33
Case Costs	0.00
Total Debt	<u>2,044,964.02</u>

C. Does Debtor have Regular Income? Y

D. Prior Bankruptcies: Appears to exceed current debt limits, not clear new legislation is retroactive for ch 13, Pittman argues taxes debt is overstated and will be eligible once adjusted..
What is IRS secured by?
Jennifer McKinney 11-61215Ch7 filed in Minnesota on 12/13/2011

E. DSO's: Y _____ N _____

F. Tax Returns

2019 tax return provided - last year filed? Status of getting 2020 & 2021 returns filed?- Got acknowledgement of filed returns from IRS 7-27- trustee needs copies

Tax Year	Income	Refund Due Trustee	Federal Tax Return		State Tax Return		EIC Amount	Other Amount	Other 1 Amount
			Received On	Refund Amt	Received On	Refund Amt			
2019	598,833.00	-154,036.00		-120,605.00		-33,381.00	0.00	50.00	0.00
2020	822,610.00	-240,420.00		-191,894.00		-48,526.00	0.00	0.00	0.00
2021	714,508.00	-190,352.00		-150,388.00		-39,964.00	0.00	0.00	0.00

G. Self Employment

Is Debtor Self Employed? Y
Does Debtor Incur Trade Debt? N
Did Debtor Complete Business Trade Questionnaire? Y
Will a Monthly Operating Report be Required? Y _____ N _____

3. MONTHLY BUDGET:	Budgeted Income	32480.00	Available for Plan	15824.35
	Budgeted Expenses	16655.65	Plan Payments	15815.00
	Available for Plan	15824.35	Excess	9.35

A. Does Budget appear reasonable? Y

-NFS AND DEBTOR LIVE SEPARATELY, EXPENSES ARE VERY HIGH EVEN FOR 5
DEPENDENTS kis are mostly with her BUT IF MDI MET WILL NOT BE A CURRENT ISSUE.
-BUSINESS BUDGET PROVIDED(P.46)

B. Means Test: Is all disposable income applied? (Sec 1325(b)(1)(B)) N

-60MO PLAN. NET MDI \$17,555.40 NOT BEING MET, PROJ=\$0 TO UNSEC HOWEVER NSP
IN PLAN STATES OBJ TO IRS CLAIM WILL BE FILED WHICH WILL CHANGE THE FIGURES
IF SUCCESSFUL.
- WHEN WILL IRS OBJ BE FILED?- waiting on taxes
-PAYING IRS TO RETAIN GOLF CART, ICEHOUSE/TRAILER, CAMPER, 4 VEHICLES, \$35,000
JEWELRY - ALL NECESSARY? - not all needed but not worth much in resale mrkt
- NO EXEMPTIONS CLAIMED ON SCH C - will review
-INVESTMENT ACCOUNT FOR DEPENDENTS WORTH \$7500, WHEN FUNDED? - less than 2
and more than one year ago
-\$31,880 CONTRIBUTED TO MISSIONARY WORK OVER LAST 2 YRS, ACCURATE? - yes, still
active
-SCH J INCLUDES "CONTRIBUTES \$450/MO TOWARDS...", INCOMPLETE- missonary
support, it is an average, some months, less some more.

C. Will debtor be able to make all payments under the plan and comply with the plan? (Sec 1325(a)(6)) Y

-SCH E DELQ TAXES. BUS BUDGET INCLUDES \$11,000/MO FOR FUTURE TAXES, WILL
THIS ADDRESS THE ISSUE GOING FORWARD? taxes largely from 2019 when she did not pay.
Working with accountant to pay quarterly,
DOES SHE GET 1099 OR SELF REPORTED?- thinks after obj will be under liimits. Self reports
and needs to do quarterly. Says workngi with accountant

4. PLAN:

A. Number of months the Plan is expected to last: 60

Payment Start	Payment End	Payment Amount	Frequency	Source
5/27/2022	5/26/2027	15,815.00	MONTHLY	DEBTOR

B. Total to be paid into the Plan: 948900.00

C. Approximate percentage to Unsecureds: 0

D. Source of Income: SELF-EMPLOYED

Spouse income: _____

E. Wage Order Sent To: DEBTOR

F. Payments received to Date: \$31,630.00

Will debtor commence payments within 30 days after the plan has been filed? Y

G. Has the plan been proposed in good faith and not any means forbidden by law? (Sec 1325(a)(3))Y
If "No", plan cannot be confirmed.

H. Attorney Fee Requested 10000.00 Paid to Date: 2500.00
Balance Due Under Plan 7500.00 Approximate months to pay: 1.00
Trustee recommends amount requested? Y
If no, amount the Trustee recommends:

I. Does the Plan Properly Classify Debts? N
-\$4000 MTG ARREARS NOT PROVIDED FOR IN PLAN

J. Does the plan provide for curing of default or payment in full of Secured Debt? (Sec 1325(a)(5))N

K. Does the plan provide for full payment of Priority Debt? N
-IRS CLAIM INDICATES 2020 AND 2021 RETURNS NOT FILED- Now filed, not clear what is owed or that balance is resolved by plan

L. Was a Liquidation		<u>Under Chapter 7</u>		<u>Under Chapter 13</u>	
Analysis Provided By the Debtor? (Sec 1325(a)(5))		Assets:	827608.81	Total Paid To Plan:	948900.00
N		Admin, Security:		A.S.P. Debt:	1904029.02
Unsecureds Do Better Under Chapter: 13		Priority (ASP)	1904029.02	Less Direct:	307092.00 1596937.02
		Exemptions:	0.00	Trustee Fee on Net A.S.P:	100126.76
		Available for UnSec:	-1076420.21	Amt Avail for Unsec:	-748163.78

5. CLAIMS AND OBJECTIONS

Direct Claims

MARINE CREDIT UNION	Scheduled for:	307,092.00	Filed for:	307,869.47
Claim Ref Number: 17	Scheduled as:	DIRECT	Filed as:	Direct
Reason: mortgage: homestead W5441 Innsbruck Rd	Filed date:	6/6/2022		
Objection Filed? No				

Secured

INTERNAL REVENUE SERVICE	Scheduled for:	1,033,490.33	Filed for:	1,033,490.33
Claim Ref Number: 20	Scheduled as:	Secured	Filed as:	Secured
Reason: 2009, 12-19 income tax			Filed date:	5/10/2022
Objection Filed? No				

MARINE CREDIT UNION	Scheduled for:	0.00	Filed for:	0.00
Claim Ref Number: 21	Scheduled as:	Secured	Filed as:	Secured
Reason: mortgage arrears			Filed date:	6/6/2022
Objection Filed? No				

Priority

INTERNAL REVENUE SERVICE	Scheduled for:	555,946.69	Filed for:	234,100.00
Claim Ref Number: 18	Scheduled as:	Priority	Filed as:	Priority
Reason: 2020 & 2021 income tax - not filed			Filed date:	5/10/2022
Objection Filed? No				

7

US BANKRUPTCY COURT	Scheduled for:	0.00	Filed for:	0.00
Claim Ref Number: 4	Scheduled as:	Case Costs	Filed as:	Not Filed
Reason:			Filed date:	
Objection Filed? No				

8

DEBTOR	Scheduled for:		Filed for:	
Claim Ref Number: 2	Scheduled as:	Refund	Filed as:	Refund
Reason:			Filed date:	4/27/2022
Objection Filed? No				

DEBTOR	Scheduled for:	0.00	Filed for:	0.00
Claim Ref Number: 3	Scheduled as:	Refund	Filed as:	Not Filed
Reason:			Filed date:	
Objection Filed? No				

Attorney

GREG P. PITTMAN	Scheduled for:	7,500.00	Filed for:	
Claim Ref Number: 1	Scheduled as:	Attorney	Filed as:	Not Filed
Reason:			Filed date:	
Objection Filed? No				

6. TRUSTEE RECOMMENDATIONS:

Does Trustee Recommend Confirmation? N

Trustee Comments:

{ 2A, 3B, 4I, 4J, 4K }

NOTES:

- TOTAL ATTY FEES AT \$10,000 but numerous tax and business issues
- PETITION S/B AMENDED TO INCLUDE JENNIFER HOWE SAULS MCKINNEY - A NAME USED IN 2013.

Objection Items:

- Eligibility not clear based on debt limits
- 20 & 21 taxes now filed but IRS has not amended claim so not clear IRS is PIF
- MDI is not met with current IRS debt amounts
- \$4000 MTG ARREARS NOT PROVIDED FOR IN PLAN

Date Completed: 07/29/2022

/s/

Mark Harring
Standing Chapter 13 Trustee